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526 S. Church St.
Charlotte, N.C. 28202

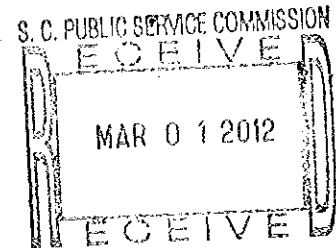
Phillip O. Stillman, General Manager

Duke Energy Carolinas
EC06E / P.O. Box 1006
Charlotte, N.C. 28201-1006

704 382-8070

704 382-7939 fax

February 24, 2012




Jocelyn Boyd
Chief Clerk and Administrator
Public Service Commission of South Carolina
Post Office Drawer 11649
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29211

Dear Ms. Jocelyn Boyd:

Enclosed is the quarterly report of Duke Energy Carolinas, LLC
for the twelve months ending December 31, 2011. Please feel free
to call me at (704) 382-8070.

Sincerely,


Phillip O. Stillman
Regulatory Accounting and Planning

Enclosure

cc: Mr. Dukes Scott
Executive Director
Office of Regulatory Staff

Mr. John Flitter
Director, Electric & Gas Regulation
Office of Regulatory Staff

CERTIFICATION

(Certification must be signed by the Chief Executive Officer and the Chief Financial Officer)

I, Catherine E. Heigel, state and attest, under penalty of perjury, that the attached South Carolina Quarterly Report is filed on behalf of Duke Energy Carolinas, LLC, as required by the Public Service Commission of South Carolina; that I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

Catherine E. Heigel
Signature of President

Catherine E. Heigel
Typed or Printed Name of Person Signing

President, Duke Energy South Carolina
Title

February 24, 2012
Date Signed

Subscribed and sworn to before me this 24th day of February, 2012.

Lisa M. Dwyer
Notary Public

My Commission Expires: 10/7/2020

CERTIFICATION

(Certification must be signed by the Chief Executive Officer and the Chief Financial Officer)

I, James D. Wiles, state and attest, under penalty of perjury, that the attached South Carolina Quarterly Report is filed on behalf of Duke Energy Carolinas, LLC, as required by the Public Service Commission of South Carolina; that I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

James D. Wiles
Signature of Person Making Verification

James D. Wiles
Typed or Printed Name of Person Signing

VP, Franchised Electric and Gas Accounting
Title

February 21, 2012
Date Signed

Subscribed and sworn to before me this 21 day of February, 2012.

Kim V. Beal
Notary Public

My Commission Expires: Oct. 24, 2014

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjs. (a) (Col. 3)	As Adjusted (Col. 4)
1	Electric Operating Revenue	\$ 6,445,284	23.6415%	\$ 1,523,764	\$ 7,923	\$ 1,531,687
2	Electric Operating Expenses:					
3	Operation and Maintenance:					
4	Fuel Used in Electric Generation	1,644,757	25.1952%	414,400	(1,268)	413,132
5	Purchased Power and Net Interchange	299,060	25.3688%	75,868	(190)	75,678
6	Wages, Benefits, Materials, etc.	1,882,789	24.2314%	456,227	(10,869)	445,358
7	Depreciation and Amortization	769,833	24.6398%	189,685	26,848	216,533
8	General Taxes	336,748	17.2637%	58,135	3,867	62,002
9	Interest on Customer Deposits	5,849	11.5746%	677	(1)	676
10	Income Taxes	466,083	21.3249%	99,392	(5,859)	93,533
11	Amortization of Investment Tax Credit	(6,881)	23.7030%	(1,631)	6	(1,625)
12	Total Electric Operating Expenses	5,398,238	23.9477%	1,292,753	12,534	1,305,287
13	Operating income	\$ 1,047,046	22.0632%	\$ 231,011	\$ (4,611)	\$ 226,400
14	Add: Customer Growth Adjustment				363	363
15	Income for Return			\$ 231,011	\$ (4,248)	\$ 226,763
16	Original Cost Rate Base (b)			\$ 3,500,575	\$ 82,580	\$ 3,583,155
17	Rate of Return on South Carolina Retail Rate Base			6.60%		6.33%

Notes: (a) From Page 3, "Total Adjustments" line.

(b) From Page 4, Line 12.

Line No.	Description	Total Company Capitalization		South Carolina Retail			
		Amount (Col. 1)	Ratio (Col. 2)	Per Book		Pro Forma	
				Retail Rate Base (Col. 3)	Operating Income (Col. 5)	Retail Rate Base (Col. 6)	Operating Income (Col. 8)
1	Long-Term Debt	\$ 8,096,248	46.08%	\$ 1,613,065	\$ 87,267	\$ 1,651,118	\$ 89,325
2	Preferred Stock	-	0.00%	-	-	-	-
3	Members' Equity	9,472,957	53.92%	1,887,510	143,744	1,932,037	137,438
4	Total	\$ 17,569,205	100.00%	\$ 3,500,575 (a)	\$ 231,011 (b)	\$ 3,583,155 (c)	\$ 226,763 (d)

Notes: (a) From Page 4, Line 12, Column 2.

(b) From Page 1, Line 15, Column 2.

(c) From Page 4, Line 12, Column 4.

(d) From Page 1, Line 15, Column 4.

(e) If adjusted for weather, this rate would be 6.24%.

(f) Excludes pre-tax non-firm wholesale sales profits for the total system of approximately \$1 million for the 12 months ended 12/31/11.
 A net of tax South Carolina Retail allocation of profits would amount to approximately \$0 million.

Line No.	Description	Electric Operating Revenue (Col. 1)	Fuel Used In Electric Generation (Col. 2)	Purchased Power and Net Interchange (Col. 3)	Wages Benefits Materials Etc. (Col. 4)	Depreciation and Amortization (Col. 5)	General Taxes (Col. 6)	Interest on Customer Deposits (Col. 7)	Income Taxes (Col. 8)	Amortization of ITC (Col. 9)	Net Operating Income (Col. 10)
1	To Annualize Depreciation on Year-End Plant	\$ -	\$ -	\$ -	\$ -	\$ 16,572	\$ -	\$ -	\$ (6,472)	\$ -	\$ (10,100)
2	To Annualize Wage Rate Increase	-	-	-	(40)	-	(2)	-	16	-	26
3	To Eliminate Incremental Voluntary Opportunity Plan and Office Consolidation Costs	-	-	-	-	-	-	-	-	-	-
4	To Eliminate Catawba Purchased Power Levelization	-	-	-	-	-	-	-	-	-	-
4	To Annualize Property Taxes on Year-End Plant	-	-	-	-	-	3,434	-	(1,341)	-	(2,093)
5	To Reflect CWIP Closings to Plant	-	-	-	-	8,888	685	-	(3,661)	-	(5,712)
6	To Adjust Income Taxes to Reflect Interest Synchronization	-	-	-	-	-	-	-	(1,913)	-	1,913
7	To amortize deferral balance related to Cliffside Unit 5 scrubber	-	-	-	-	2,252	-	-	(879)	-	(1,373)
8	To eliminate Progress merger costs to achieve	-	-	-	(9,149)	-	-	-	3,573	-	5,576
9	To eliminate unbilled revenue adjustment	9,159	-	-	-	-	-	-	3,577	-	5,582
10	To Exclude Greenwood Operations	(1,236)	(1,268)	(190)	(1,680)	(664)	(250)	(1)	1,241	6	1,570
11	Total Adjustments	\$ 7,923	\$ (1,268)	\$ (190)	\$ (10,869)	\$ 26,848	\$ 3,867	\$ (1)	\$ (5,859)	\$ 6	\$ (4,611)

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Electric Plant In Service	\$ 29,052,813		\$ 6,697,509	\$ 146,405	\$ 6,843,914
2	Less: Accumulated Depreciation and Amortization	(12,791,777)		(2,865,370)	(25,260)	(2,890,630)
3	Net Electric Plant	16,261,036		3,832,139	121,145	3,953,284
4	Add: Materials and Supplies	927,418		226,706	(26,655)	200,051
5	Working Capital Investment	1,218,560		287,726	-	287,726
6	Plant Held for Future Use	3,126	25.5122%	798	-	798
7	Less: Accumulated Deferred Taxes	(3,940,102)	24.9750%	(984,041)	-	(984,041)
8	Operating Reserves	(318,420)	26.5172%	(84,436)	-	(84,436)
9	Customer Deposits	(93,063)		(19,961)	-	(19,961)
10	Greenwood				(11,910)	(11,910)
11	Construction Work in Progress	988,455		241,644		241,644
12	Total Original Cost Rate Base	\$ 15,047,010		\$ 3,500,575	\$ 82,580	\$ 3,583,155

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$ 15,229,896		\$ 3,357,096	\$ 73,373	\$ 3,430,469
2	Transmission	2,699,011	19.0833%	515,060	13,294	528,354
3	Distribution (b)	8,955,111	25.5651%	2,289,380	30,103	2,319,483
4	General	710,527	24.1304%	171,453	5,792	177,245
5	Intangible	421,935	23.6932%	99,970	23,843	123,813
6	Subtotal	28,016,480	22.9613%	6,432,959	146,405	6,579,364
7	Nuclear Fuel	1,036,333	25.5275%	264,550		264,550
8	Total Electric Plant In Service	\$ 29,052,813 (a)		\$ 6,697,509	\$ 146,405	\$ 6,843,914
		=====		=====	=====	=====

Notes: (a) Excludes asset retirement obligations, electric plant held for future use, electric plant acquisition adjustments, and other electric plant adjustments of (\$85,109) thousand.
(b) The accounting adjustment in Col. 3 reflects plant in service additions not related to customer growth.

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$ 6,707,153		\$ 1,350,746	\$ 14,682	\$ 1,365,428
2	Transmission	1,184,888	19.0224%	225,394	540	225,934
3	Distribution	3,864,432		1,023,947	1,416	1,025,363
4	General	143,718	33.0822%	47,545	3,853	51,398
5	Intangible	313,691	22.3838%	70,216	4,769	74,985
6	Subtotal	12,213,881	22.2521%	2,717,848	25,260	2,743,108
7	Nuclear Fuel	577,896	25.5275%	147,522		147,522
8	Total Accumulated Depreciation and Amortization	\$ 12,791,777 (a)		\$ 2,865,370	\$ 25,260	\$ 2,890,630

The annual composite rates for computing depreciation (straight-line method) are shown below.

9	Steam Production Plant	3.57%
10	Nuclear Production Plant (Excl. Nuclear Decommissioning)	2.35%
11	Hydro Production Plant	3.44%
12	Combustion Turbine Production Plant	3.62%
13	Solar Production Plant	5.38%
	Transmission Plant:	
14	Right-of-Way	1.16%
15	Other	2.03%
16	Distribution Plant	2.33%
17	General Plant	Various
18	Land Rights	0.81% - 1.88%
19	Intangible Plant	20.00%

Note: (a) Excludes accumulated amortization of electric plant acquisition adjustment and accumulated depreciation related to asset retirement obligations totaling (\$23,761) thousand and reclassifies cost of removal and other deferred credits to increase accumulated depreciation by \$1,486,828 thousand.

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
	Fuel Stock:					
1	Coal	\$ 411,949	25.5275%	\$ 105,160	\$ (26,655)	\$ 78,505
2	Oil	28,250	25.5275%	7,212	-	7,212
3	Total Fuel Stock	440,199	25.5275%	112,372	(26,655)	85,717
4	Other Electric Materials and Supplies & Stores Clearing	487,219	23.4666%	114,334	-	114,334
5	Total Materials and Supplies	\$ 927,418		\$ 226,706	\$ (26,655)	\$ 200,051

Note: (a) Adjustment to per book coal inventory balance to reflect target inventory level.

Coal Inventory Target Level (in tons)	3,092		
Price per Ton - Coal	\$ 99.46		
Total Company Pro Forma Inventory	\$ 307,530	25.5275%	78,505
Per Book Coal Inventory			105,160
Coal Adjustment			\$ (26,655)

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Twelve Months Operating and Maintenance Expenses, Exclusive of Purchased Power and Nuclear Fuel Expense	\$ 3,336,220		\$ 821,706	-	\$ 821,706
2	1/8 of O&M Expenses on Line 1	\$ 417,028		\$ 102,713		\$ 102,713
3	Less: Average Taxes Accrued	(3,850)		(1,126)	-	(1,126)
4	Subtotal	413,178		101,587	-	101,587
5	Required Bank Balances	340	23.4243%	80	-	80
6	Bond Reacquisition Premiums	120,659	17.2412%	20,803	-	20,803
7	Pension Funding	670,145	24.1536%	161,864	-	161,864
8	Prepayments	14,238	23.8212%	3,392	-	3,392
9	Total Working Capital Investment	\$ 1,218,560		\$ 287,726	\$ -	\$ 287,726

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$ 3,216,825	23.8212%	\$ 766,285	\$ -	\$ 766,285
2	Transmission	147,435	19.0196%	28,042	-	28,042
3	Distribution	65,407	25.5651%	16,721	-	16,721
4	General	24,967	24.1304%	6,025	-	6,025
5	Intangible	288,489	23.6932%	68,352	-	68,352
6	Total Construction Work In Progress	<u>\$ 3,743,123</u>		<u>\$ 885,425</u>	<u>\$ -</u>	<u>\$ 885,425</u>

Line

No. Description

Twelve Months Ended 31-Dec-2011

1	SEC Fixed Charges Coverage	3.76
2	Earnings per Share	\$1.28

Line No.	Description	Total Company (a)	Wholesale Jurisdiction (b)	% of Total (c)	N.C. Retail (d)	% of Total (e)	S.C. Retail (f)	% of Total (g)
<u>Operating Revenues (\$000s)</u>								
1	Residential	\$ 2,568,145			\$ 1,965,805	76.5457%	\$ 602,339	23.4543%
2	Commercial	1,961,928			1,545,312	78.7650%	416,616	21.2350%
3	Industrial	1,059,406			647,563	61.1251%	411,843	38.8749%
4	Public Street & Highway Lighting				32,720	84.9060%	5,817	15.0940%
5	Interdepartmental	38,536			-	0.0000%	-	0.0000%
6	Sales for Resale:							
7	Special Contract	350,268	\$ 327,932	93.6229%	21,962	6.2699%	375	0.1071%
8	Other	-	-	0.0000%				
9	Total Revenue from Sales of Electricity	\$ 5,978,283	\$ 327,932	5.4854%	\$ 4,213,362	70.4778%	\$ 1,436,989	24.0368%
<u>Kilowatthour Sales (000s)</u>								
10	Residential	28,323,219			21,626,211	76.3551%	6,697,008	23.6449%
11	Commercial	27,592,614			21,895,793	79.3538%	5,696,821	20.6462%
12	Industrial	20,782,519			12,198,705	58.6969%	8,583,814	41.3031%
13	Public Street & Highway Lighting				245,362	85.5477%	41,451	14.4523%
14	Interdepartmental	286,813			-	0.0000%	-	0.0000%
15	Sales for Resale:							
16	Special Contract	5,910,953	5,534,007	93.6229%	370,614	6.2699%	6,332	0.1071%
17	Other	-	0	0.0000%				
18	Total KWH Sales	82,896,119	5,534,007	6.6758%	56,336,685	67.9006%	21,025,427	25.3636%
<u>Revenue Per KWH Sold (Cents)</u>								
19	Residential	9.07			9.09		8.99	
20	Commercial	7.11			7.06		7.31	
21	Industrial	5.10			5.31		4.80	
22	Public Street & Highway Lighting	13.44			13.34		14.03	
23	Interdepartmental	0.00			0.00		0.00	
24	Sales for Resale:							
25	Special Contract	5.93	5.93		5.93		5.93	
26	Other	0.00	0.00					
27	Total Revenue per KWH Sold	7.21	5.93		7.48		6.83	